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# Before the Federal Communications Commission Washington, D.C. 20554

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In the Matter of	)	of Secretary
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	ì	

# VERIFIED FILING OF NPCR, INC. AND NEXTEL PARTNERS OF UPSTATE NEW YORK, INC. IN COMPLIANCE WITH 47 C.F.R. §§ 54.202(b) AND 54.209(a)

September 29, 2006

Todd B. Lantor Regulatory Counsel NPCR, Inc. 2001 Edmund Halley Drive Mailstop: VARESP0202-A207 Reston, Virginia 20191-3436

Phone: 703.592.7185

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#### I. INTRODUCTION

NPCR, Inc. and Nextel Partners of Upstate New York, Inc. (collectively "NPCR" or the "Company") submit this Verified Filing in accordance with the Commission's *Report and Order* issued March 17, 2005, and Commission Rules 47 C.F.R. §§ 54.202 and 54.209.

#### II. BACKGROUND

#### A. NPCR's Designated Areas And Operations

NPCR, Inc. was designated as a competitive eligible telecommunications carrier ("ETC") by the Commission for portions of Alabama, Florida, Georgia, Pennsylvania, Tennessee and Virginia, and Nextel Partners of Upstate New York, Inc. was designated as a competitive ETC by the Commission for portions of New York by Order dated August 25, 2004 ("NPCR Designation Order").<sup>2</sup> The services areas for which the Company is designated as a competitive ETC are referred to as NPCR's "Designated Areas."

In June 2006, Nextel Partners, Inc. ("Nextel Partners") and its subsidiaries, including NPCR, Inc. and Nextel Partners of Upstate New York, Inc., were acquired by Sprint Nextel Corporation ("Sprint Nextel"). NPCR is now a wholly owned subsidiary of Sprint Nextel. This filing relates only to NPCR's operations and provision of iDEN service within its Designated Areas. To date, NPCR's provision of service as a competitive ETC pursuant to the *NPCR Designation Order* has been limited to its iDEN operations, and it has received universal service support only for customers served by the operating entities that provide service using iDEN technology. As a result, this filing relates only to NPCR's iDEN network in its Designated

<sup>&</sup>lt;sup>1</sup> In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. March 17, 2005) ("March 17 Order").

<sup>&</sup>lt;sup>2</sup> In the Matter of Federal-State Joint Board on Universal Service, NPCR, Inc. d/b/a Nextel Partners, Petition for Designation as an Eligible Telecommunications Carrier, CC Docket No. 96-45, Order, DA 04-2667 (rel. Aug. 25, 2004), corrected by Erratum (Sept. 13, 2004).

Areas. Sprint Nextel is filing a separate Verified Statement with regard to its operations within its designated areas.

#### B. The Commission's ETC Designation And Reporting Requirements

In 2005, the Commission issued its *March 17 Order* establishing new ETC designation standards and annual reporting requirements as set forth in 47 C.F.R. §§ 54.202 and 54.209. The due date for the first annual filings was set at October 1, 2006. NPCR addresses below each of the filing requirements in the *March 17 Order* and 47 C.F.R. §§ 54.202 and 54.209. Much of the requested information is included in Exhibits to this Verified Filing, a number of which have been designated "Confidential" and filed under seal.

## III. NPCR SATISFIES EACH OF THE COMMISSION'S NEW ETC STANDARDS SET FORTH IN 47 C.F.R. § 54,202(a)

As set forth in 47 C.F.R. § 54.202(b), a common carrier previously designated as an ETC by the Commission pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended (the "Act"), must submit the information required by Section 54.202(a) no later than October 1, 2006. NPCR respectfully submits the following information in satisfaction of this requirement.

## A. NPCR Commits To Provide Service Throughout Its Designated Areas To All Customers Making A Reasonable Request For Service

Pursuant to Section 54.202(a)(1)(i) of the Commission's Rules, NPCR commits to provide service throughout its Designated Areas to all customers making a reasonable request for service. For purposes of evaluating the provision of service upon request from a potential customer within the Company's Designated Areas, NPCR hereby certifies that it will:

1. Provide service on a timely basis to requesting customers within the Company's Designated Areas where its network already serves the requesting customer's premises; and

- 2. Provide service within a reasonable period of time, if the potential customer's premises are located within a Designated Area but outside its existing network coverage, if service can be provided at reasonable cost by:
  - (a) Modifying or replacing the requesting customer's equipment;
  - (b) Deploying a roof-mounted antenna or other equipment;
  - (c) Adjusting the nearest cell tower;
  - (d) Adjusting network or customer facilities;
  - (e) Reselling services from another carrier's facilities to provide service; or
  - (f) Employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.

If service cannot be offered at reasonable cost using one of the options above, NPCR will report the unfulfilled service request to the Commission pursuant to Section 54.209(a)(3) of the Commission's Rules.

#### B. NPCR's Service Improvement Plans

Pursuant to Section 54.202(a)(1)(ii) of the Commission's Rules, NPCR submits its five-year plans that describe with specificity proposed improvements or upgrades to the Company's network on a wire center-by-wire center basis throughout its Designated Areas ("Service Improvement Plans"). The Company's Service Improvement Plans for each jurisdiction in which it has been designated as a competitive ETC by the Commission are described in the attached Exhibit 1 and Confidential Appendices 1A-1C.

NPCR's Service Improvement Plans demonstrate how signal quality, coverage or capacity will continue to improve due to the Company's receipt of federal high-cost universal service support; the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; the geographic areas where the improvements will be made; and the estimated population that will be served as a result of the improvements.

NPCR's Service Improvement Plans are based on the Company's evaluation of many factors, including current consumer demand, competitive forces, available capital, and others. As these factors change, NPCR's Service Improvement Plans may be modified. In addition, the order in which these facilities are to be constructed has not been finally determined and will be revised over time, and forces beyond the Company's control (for example, zoning issues related to cell site placement) may result in modifications to planned projects or timelines. As a result, the content and timing of the projects in NPCR's Service Improvement Plans are subject to change.

#### C. NPCR Has Adequately Prepared For Emergency Situations

NPCR provides the following information pursuant to Section 54.202(a)(2) of the Commission's Rules. NPCR maintains a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergency situations. NPCR maintains a robust wireless network providing both quality coverage and capacity for its customers. Network facilities are constructed to survive many of the damaging effects caused by nature. In addition, all of the Company's network facilities include battery backup to maintain operation for some time during loss of commercial power. In the event of an emergency situation, NPCR maintains an inventory of generators to provide power to its network facilities. NPCR also maintains numerous self-contained portable cell sites to restore localized service in emergency situations.

47 C.F.R. § 54.202(a)(2) provides that ETCs should have a reasonable amount of backup power to function without an external power source. Each cell site in the NPCR network is equipped with a reasonable amount of battery back-up. Cell sites are engineered with a minimum of two hours of battery standby power in the event of a commercial power failure.

Most cell sites have the necessary equipment to allow a portable generator to be quickly and safely connected for standby power. NPCR has portable generators located in its Designated Areas and nearby areas that are available for transport to an area affected by a commercial power outage. In addition, all mobile switching center ("MSC") locations are also equipped with battery back-up systems and dedicated automatic start-up generators.

47 C.F.R. § 54.202(a)(2) also provides that ETCs should have the ability to re-route traffic and manage traffic spikes resulting from emergency situations. NPCR's network is monitored 24 hours a day, 7 days a week, 365 days a year by its Network Monitoring Centers. In addition, local switching offices staffed by trained technicians and management coordinate with these larger operation centers to ensure that NPCR's networks are properly maintained and network performance is at expected levels.

NPCR is similarly capable of rerouting traffic around damaged facilities. Many cell sites in the NPCR network provide overlapping coverage for neighboring areas that can be used in the event of damage to a particular facility. If a cell site is damaged, neighboring sites could be adjusted to provide coverage to a wider service area. In addition, NPCR maintains a number of "Cells On Wheels" ("COWs"), which are portable, self-contained cell sites capable of providing temporary coverage. The Company has engineered interconnection redundancy utilizing dual fiber facilities at all switch locations, and most of the Company's transport hub locations are placed on SONET bi-directional fiber rings. These practices significantly reduce the chance that fiber cuts or equipment failure will result in a loss of service.

Finally, 47 C.F.R. § 54.202(a)(2) provides that ETCs should implement policies to manage traffic spikes resulting from emergency situations. The NPCR network is designed to minimize call blocking. In order for a traffic spike to result in call blocking, the number of

simultaneous calls must exceed the total number of voice paths available at one or more cell sites serving a particular location. NPCR designs its cell sites based on a standard of not more than one percent (1%) blocked calls on any cell site sector during its busiest hour using a 14-day average. When a sector approaches this level of utilization, NPCR takes steps to increase call capacity by installing additional base radio channels as well as utilizing voice compression technology. In addition, NPCR has the ability to manage traffic spikes through the deployment of COWs.

NPCR also works closely with Sprint Nextel's Emergency Response Team ("ERT"), which is part of Sprint Nextel's Business Continuity Program and is responsible for setting policy for emergency planning, response and recovery efforts. The ERT provides wireless telecommunications equipment, infrastructure and personnel operations support to federal, state and local public safety, law enforcement, military agencies and private sector organizations during declared emergencies, field training exercises, agency-specific events and National Special Security Events. The ERT also designs and implements the internal policies and procedures necessary to enable timely and effective deployments of NPCR's products and services to allow the public sector and private sector to function in emergency situations. By using COWs, microwave facilities, and an inventory of thousands of handsets, the ERT can respond on short notice to meet the needs of emergency and disaster personnel.

# D. NPCR Will Satisfy Applicable Consumer Protection And Service Quality Standards Within Its Designated ETC Service Areas By Complying With The CTIA Consumer Code

NPCR will satisfy applicable consumer protection and service quality standards throughout its Designated Areas. As set forth in Section 54.202(a)(3) of the Commission's Rules, a commitment by a wireless carrier to comply with the CTIA – The Wireless

Association's Consumer Code for Wireless Service ("Consumer Code") satisfies this requirement.

NPCR has adhered to the Consumer Code since 2004, shortly after its adoption. NPCR has implemented the policies and practices required by the Consumer Code throughout its Designated Areas. This means that NPCR has implemented policies so that it:

- (1) Discloses rates and terms of service to consumers.
- (2) Makes available maps showing where service is generally available.
- (3) Provides contract terms to customers and confirms changes in service.
- (4) Allows a trial period for new service.
- (5) Provides specific disclosures in advertising.
- (6) Separately identifies carrier charges from taxes on billing statements.
- (7) Provides customers the right to terminate service for material changes to contract terms.
- (8) Provides ready access to customer service.
- (9) Promptly responds to consumer inquiries and complaints received from government agencies.
- (10) Abides by policies for protection of customer privacy.

NPCR commits to continued compliance with Consumer Code throughout its Designated Areas.

# E. NPCR Offers A Local Usage Plan Comparable To The Service Offerings Of The Incumbent LECs Serving The Company's Designated Areas

NPCR offers a local usage plan comparable to the service offerings of the incumbent LECs serving its Designated Areas consistent with 47 C.F.R. § 54.202(a)(4). The requirement to offer a comparable local usage plan was adopted by the Commission to substantiate the obligation under 47 C.F.R. § 54.101(a)(2) to provide "local usage." Local usage is defined in

47 C.F.R. § 54.101(a)(2) as "an amount of minutes of use of local exchange service, prescribed by the Commission, provided free of charge to end users." Rather than adopt a requirement to provide a specific amount of local usage, the Commission required competitive ETCs to provide at least one offering that contains an amount of local usage that is comparable to the local usage plan offered by the incumbent LEC.<sup>3</sup> Thus, the rule requires a comparison of the <u>amount</u> of local minutes in a competitive ETC's plan versus an incumbent LEC's plan, recognizing that a plan with a lower number of minutes but a larger local calling area may be "comparable" to a plan with more minutes within a smaller local calling area.<sup>4</sup>

NPCR's generally available service plans offer customers a choice of varying amounts of local usage, including plans that have unlimited calling. Usage is categorized as either "Peak" (7 a.m. to 9 p.m.) or "Non-Peak" (Before 7 a.m. or after 9 p.m. on weekdays and all day on weekends). Peak minutes are also known as "Anytime" minutes, while non-peak minutes are also known as "Night and Weekend" minutes. NPCR's entry-level plan currently includes 400 anytime minutes, plus 400 bonus minutes, as well as unlimited Night and Weekend minutes, which provides for over 20,000 local minutes per month. Additional local minutes can be purchased as needed on a monthly basis or by purchasing an alternative plan that includes additional minutes. With the exception of two service offerings, all current rate plans offered by NPCR include nationwide calling. Thus, the local calling area is all households and phones in

<sup>&</sup>lt;sup>3</sup> March 17 Order, ¶ 33 ("In the First Report and Order, the Commission determined that an ETC should provide some minimum amount of local usage as part of its "basic service" package of supported services, but declined to specify the exact amount of local usage required. We believe the Commission should review an ETC applicant's local usage plans on a case-by-case basis.")

<sup>&</sup>lt;sup>4</sup> *Id.*; see also In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order, FCC 03-170, ¶ 14 (rel. July 14, 2003) ("We agree with the Joint Board and the vast majority of the commenters that unlimited local usage is not essential to education, public health or public safety.").

the United States. Furthermore, because NPCR provides mobile phone service, customers can originate a call and use their local minutes anywhere on the nationwide Nextel iDEN network.

For these reasons, NPCR's service offerings are comparable to basic local exchange plans provided by incumbent LECs. Incumbent LECs' basic local exchange service may allow for unlimited calling, but those minutes can only be used within a single exchange (or a group of neighboring exchanges), and from a fixed location.<sup>5</sup> In addition, NPCR's promotional plans generally include Caller ID and Voicemail at no additional charge, as well as optional Three-Way Calling, Call Forwarding and Text and Numeric Messaging services. NPCR's current generally available service offerings,<sup>6</sup> including the amount of local usage in each plan, are summarized in **Exhibit 2**. Consistent with 47 C.F.R. § 54.202(a)(4), each of these plans is a comparable local usage plan.

## F. NPCR Acknowledges The Commission May Require The Company To Provide Equal Access In A Designated ETC Service Area In The Event That No Other ETC In The Service Area Is Providing Equal Access

Pursuant to Section 54.202(a)(5) of the Commission's Rules, NPCR hereby acknowledges that the Commission, pursuant to 47 U.S.C. § 332(c)(8), may require the Company to provide equal access to long distance carriers in a Designated Area in the event that no other eligible telecommunications carrier is providing equal access within the Designated Area.

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<sup>&</sup>lt;sup>5</sup> For the purpose of this filing, the Commission may assume that each incumbent LEC offers unlimited local calling within a telephone exchange, or within a connected system of telephone exchanges. NPCR's nationwide calling area will, therefore, be far larger than each of the incumbent LEC's exchange area or extended area service area.

<sup>&</sup>lt;sup>6</sup> As of September 2006. Rates and terms are subject to change.

#### IV. NPCR'S ANNUAL REPORTING IN ACCORDANCE WITH 47 C.F.R. § 54.209(a)

Commission Rule 54.209(a) requires a common carrier previously designated as an ETC by the Commission to annually file certain additional information. NPCR respectfully submits the following information in satisfaction of the Commission's annual reporting requirement.

#### A. NPCR's Progress Report On Its Service Improvement Plan

When adopting the new ETC annual reporting requirements, the Commission required a carrier that had not previously filed a Service Improvement Plan to include a description of improvements or upgrades it has made since the date of its designation. Information relating to improvements made in the areas of signal quality, coverage and capacity with high-cost universal service support from NPCR's date of designation through 2005 was provided to the Commission in the Company's 2005 Annual ETC Report, filed September 30, 2005.

#### B. NPCR's Network Outages In Designated Areas

Rule 54.209(a)(2) requires an ETC to annually report the number of outages within its Designated Areas. The Rule requires:

detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. § 4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected.

47 C.F.R. § 54.209(a)(2) does not establish the time period to be covered by a report of network outages. NPCR has adopted July 1 through June 30 as an appropriate time period for purposes of

<sup>&</sup>lt;sup>7</sup> *March 17 Order*, ¶ 68 n. 191.

meeting an October 1 deadline. **Confidential Exhibit 3** contains the information called for under 47 C.F.R. § 54.209(a)(2).8

### C. NPCR's Unfulfilled Requests For Service

Rule 54.209(a)(3) requires an ETC to make an annual report of the number of requests for service from potential customers within the ETC's designated service areas that were unfulfilled during the past year. The filing must also detail how it attempted to provide service to those potential customers as set forth in 47 C.F.R. § 54.202(a)(1)(i). 47 C.F.R. § 54.209(a)(3) does not establish the time period to be covered by a report of unfulfilled requests for service. NPCR has adopted July 1 through June 30 as an appropriate time period for purposes of meeting an October 1 deadline. NPCR has no unfulfilled requests for service to report for the time period July 1, 2005 through June 30, 2006.

#### D. NPCR's Complaints Per 1,000 Handsets Or Lines

47 C.F.R. § 54.209(a)(4) requires an ETC to annually report the number of complaints per 1,000 handsets or lines. 47 C.F.R. § 54.209(a)(4) does not establish the time period to be covered by a report of complaints received. NPCR has adopted July 1 through June 30 as an appropriate time period for purposes of meeting an October 1 deadline. Between July 1, 2005 and June 30, 2006, NPCR received the following complaints per 1,000 handsets within its Designated Areas from the Commission, a state regulatory commission or a state Attorney General:

Rule 54.209(a)(2) does not define what "designated service area" is for the purpose of determining whether an outage potentially affects 10% of the subscribers in a "designated service area." NPCR understands the Rule to refer to the entire area in which it has been designated as a competitive ETC within each state. The Company cannot know for certain how many of its subscribers are affected (or potentially affected) by an outage, and so has estimated this by multiplying the number of sites that were out of service by the number of subscribers within the Company's service area capable of being served by the affected sites.

STATE	NUMBER OF COMPLAINTS PER 1,000 HANDSETS
Alabama	0.23095
Florida	0.28582
Georgia	0.15797
New York	0.54373
Pennsylvania	0.84049
Tennessee	0.73292
Virginia	0.10553

# E. NPCR's Certification Regarding Compliance With Applicable Service Quality And Consumer Protection Standards

47 C.F.R. § 54.209(a)(5) requires an ETC to certify that it is complying with applicable service quality standards and consumer protection rules. NPCR's compliance with the terms and conditions of the CTIA Consumer Code satisfies this requirement. *See supra* Section III(D). NPCR certifies that it has complied, and will continue to comply, with the service standards set forth therein.

# F. NPCR's Certification Regarding Its Ability To Function During Emergency Situations

47 C.F.R. § 54.209(a)(6) requires an ETC to certify that it is able to function in emergency situations in accordance with 47 C.F.R. § 54.202(a)(2). As described above, NPCR has prepared for, and is able to, function in emergency situations. *See supra* Section III(C). NPCR certifies that it is able and will continue to be able to function in emergency situations in accordance with 47 C.F.R. § 54.202(a)(2).

G. NPCR's Certification Regarding Its Provision Of A Comparable Local Usage

<u>Plan</u>

47 C.F.R. § 54.209(a)(7) requires an ETC to certify that it is offering a local usage plan

comparable to the incumbent LEC in the relative service areas. As noted above, each of NPCR's

generally available service offerings are comparable to those offered by the ILECs within in its

Designated Areas. See supra Section III(E). NPCR certifies that it offers and will continue to

offer at least one comparable local usage plan as required by Section 54.209(a)(7).

H. NPCR's Certification Regarding The Commission's Authority To Require

**Equal Access** 

NPCR hereby certifies that the Commission, pursuant to 47 U.S.C. § 332(c)(8), may

require it to provide equal access to long distance carriers in the event that no other ETC is

providing equal access within one of its Designated Areas.

V. CONCLUSION

NPCR appreciates the opportunity to provide this information to the Commission. NPCR

will continue to provide high-quality universal services to consumers within its Designated Areas

during the 2007 calendar year.

Respectfully submitted,

September 29, 2006

Todd B. Lantor

Regulatory Counsel

NPCR, Inc.

2001 Edmund Halley Drive

Mailstop: VARESP0202-A207

Reston, Virginia 20191-3436

Phone: 703.592.7185

# Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	CC Docket No. 70 43

#### **VERIFICATION**

The undersigned, Michael Rapp, does hereby certify as follows:

- 1. I serve as Vice President Network Engineering and Operations for Nextel Partners, Inc., and its subsidiaries, including NPCR, Inc. and Nextel Partners of Upstate New York, Inc. (collectively, the "Company").
- 2. This verification is submitted in support of the Company's Verified Filing in Compliance with 47 C.F.R. §§ 54.202(b) and 54.209(a) ("Verified Filing").
- 3. I have reviewed the Verified Filing and the facts stated therein are true and correct to the best of my present knowledge, information and belief.
- 4. Pursuant to 47 U.S.C. § 254(e), the Company will use all high-cost universal service support it receives in 2007 "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."

Subscribed and sworn to before me this 37th day of September, 2006.

Not'ary NATALLE A. WOODS

Notary Public, State of New York

Ouglified in Schenectady County

Commission Expires June 19, 20

# EXHIBIT 1 SERVICE IMPROVEMENT PLANS AND PROGRESS REPORT

### Before the Federal Communications Commission Washington, D.C. 20554

n the Matter of	)	
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Iniversal Service	)	

### **EXHIBIT 1**

NPCR, INC. AND NEXTEL PARTNERS OF UPSTATE NEW YORK, INC.'S SERVICE IMPROVEMENT PLANS AND PROGRESS REPORT

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#### I. INTRODUCTION

NPCR, Inc. and Nextel Partners of Upstate New York, Inc. (collectively "NPCR" or the "Company") submit the following Service Improvement Plans and Progress Report pursuant to Sections 54.202(a)(1)(ii), 54.202(b), and 54.209(a)(1) of the Federal Communications Commission's ("Commission") universal service rules. NPCR, Inc. was designated as a competitive eligible telecommunications carrier ("ETC") by the Commission for portions of Alabama, Florida, Georgia, Pennsylvania, Tennessee and Virginia, and Nextel Partners of Upstate New York, Inc. was designated as an ETC by the Commission for portions of New York by Order dated August 25, 2004 ("NPCR Designation Order").

Section 54.202(a) of the Commission's Rules sets forth certain requirements governing the designation of ETCs by the Commission pursuant to its authority under Section 214(e)(6) of the Communications Act of 1934, as amended (the "Act"). Section 54.202(a)(1)(ii) requires a new applicant for ETC designation to submit a service improvement plan setting forth projected uses of support for improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed designated service area. Section 54.202(a)(1)(ii) further requires an applicant to describe how signal quality, coverage or capacity will improve due to the receipt of high-cost universal service support.

As set forth in Section 54.202(b) of the Commission's Rules, a common carrier previously designated as an ETC by the Commission pursuant to Section 214(e)(6) of the Act must submit the information required by Section 54.202(a) no later than October 1, 2006. In compliance with Sections 54.202(a)(1)(ii) and 54.202(b), the Service Improvement Plans

In the Matter of Federal-State Joint Board on Universal Service, NPCR, Inc. d/b/a Nextel Partners, Petition for Designation as an Eligible Telecommunications Carrier, CC Docket No. 96-45, Order, DA 04-2667 (rel. Aug. 25, 2004), corrected by Erratum (Sept. 13, 2004).

attached as **Confidential Appendix 1A** describe NPCR's projected use of federal high-cost universal service support for the provision, maintenance and upgrading of facilities and services for which the support is intended in each of the states identified above for the period January 1, 2006 through December 31, 2010.

# II. <u>PROGRESS REPORT ON PREVIOUS SERVICE IMPROVEMENT PROPOSALS</u>

Commission Rule 54.209(a)(1) further requires an ETC to annually file a progress report concerning its Service Improvement Plan. A carrier filing a Service Improvement Plan for the first time in 2006 was directed to include a description of improvements or upgrades it has made since the date of its initial designation. *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Report and Order*, FCC 05-46, ¶ 68 n.191 (rel. March 17, 2005) (*March 17 Order*).

NPCR is filing its first Service Improvement Plans under 47 C.F.R. §54.202(a)(1)(ii). However, the Company did submit projected service improvement information for the years 2004-2005 in support of its ETC applications. The Company's 2005 Annual ETC Report, filed with the Commission September 30, 2005, updated the progress of these projected service improvements through December 31, 2005. In addition, NPCR is pleased to confirm that it completed construction of new cell sites in Elizabethville, Pennsylvania (PA907P), Mooresburg, Tennessee (TN071P) and Radford, Virginia (VA215P) between September 30, 2005 and January 1, 2006. As noted in NPCR's 2005 Annual ETC Report, these three cell sites were still under construction at the time the Report was filed with the Commission. Also attached as Confidential Appendix 1B are maps depicting facility locations and coverage enhancements completed by NPCR since its designation as a competitive ETC.

#### III. PROJECTED HIGH-COST SUPPORT

CTATE

Pursuant to Section 254(e) of the Act, a carrier eligible to receive federal high-cost universal service support shall use such support "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." Consistent with Section 254(e) and Sections 54.313 and 54.314 of the Commission's Rules, NPCR hereby certifies that all federal high-cost universal service support it receives in 2007 will be used only for the provision, maintenance, and upgrading of facilities and services for which support is intended.

Based on the third quarter 2006 support projections of the Universal Service Administrative Company ("USAC"), NPCR currently estimates that it will receive federal high-cost universal service support for the provision of universal service within the Company's Designated Areas as follows:

SIAIL	PROJECTED ANNUAL HIGH COST SUFFORT	
Alabama	\$3,251,721	
Florida	\$1,552,884	
Georgia	\$1,656,384	
New York	\$1,083,780	
Pennsylvania	\$921,876	
Tennessee	\$96,468	
Virginia	\$626,796	

DROTECTED ANNUAL HIGH COST SHPPORT

The actual amount of universal service support received by the Company for any given year may vary from this estimate as high-cost universal service support and subscribership change over time.

#### IV. PROPOSED SERVICE IMPROVEMENTS

NPCR's Service Improvement Plans consist of projects that will improve and upgrade the Company's service within its Designated Areas. Attached as **Confidential Appendix 1A** are descriptions of the types of facilities or improvements, locations, estimated population covered, projected budget and estimated deployment schedule for each of these projects. NPCR will use federal high-cost universal service support to assist it in completing these improvements. Attached as **Confidential Appendix 1B** are maps depicting facility locations and coverage enhancements associated with NPCR's completed and proposed service improvements that will increase network coverage within the Company's Designated Areas.

NPCR's Service Improvement Plans identify new cell sites that are projected to be built and operated during the time period covered by the plans. Construction is scheduled to occur in the first two years of the plans, with operating expenses associated with those new sites being reflected for periods after those sites are activated.

NPCR's Service Improvement Plans do not include network improvements that will affect every wire center in its Designated Areas. This is not because the Company has decided that no improvements are necessary in those areas, but instead is due to the fact that all projected universal service support has been accounted for and allocated to the network improvements or to operating expenses as described below.

The selection of the identified projects is based on the Company's evaluation of many factors, including current consumer demand, competitive forces, available capital, and others.

FCC Rule 54.202(a)(1)(ii) does not identify how a company determines the population affected by a network improvement. For purposes of this filing, NPCR has utilized Census Bureau data to estimate the total population within each wire center where a facility is physically located.

As these factors change, the Service Improvement Plans may be modified. In addition, the order in which these facilities are to be constructed has not been finally determined and will be revised over time, and forces beyond the Company's control (for example, zoning issues related to cell site placement) may result in modifications to planned projects or timelines. As a result, the content and timing of the projects in the Service Improvement Plans are subject to change.

Because NPCR operates on an 18-month capital planning cycle for network construction projects, it may decide to amend its Service Improvement Plans to add some other new construction projects. The Company will identify and report on any such amendments in subsequent filings.

#### V. PROJECTED OPERATING EXPENSES

Since NPCR first began providing service in its Designated Areas, the Company has developed a robust network throughout its licensed service areas and currently provides service to a substantial number of subscribers within its Designated Areas. **Confidential Appendix 1C** identifies operating expenses NPCR must incur in order to deploy the proposed service improvements within its Designated Areas and to maintain the facilities that are used to deliver these services to consumers. Under 47 U.S.C. § 254(e), it is appropriate for NPCR to use federal high-cost universal service support to contribute towards these expenses.

#### VI. ANNUAL PROGRESS REPORT

As required by the Commission, NPCR will file, on or before October 1, 2007, a progress report on its Service Improvement Plans. As noted above, the Company's identification of projects in the Service Improvement Plans has been based on the information available to it today, and is subject to change over time. Projected expenses are estimates, and actual expenses may vary significantly from these estimates. NPCR's October 1, 2007 progress report will reflect amendments, modifications, and adjustments that occur between now and that time.

# Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	

#### **CERTIFICATION**

The undersigned, Michael Rapp, does hereby certify as follows:

- 1. I serve as Vice President Network Engineering and Operations for Nextel Partners, Inc., and its subsidiaries, including NPCR, Inc. and Nextel Partners of Upstate New York, Inc. (collectively, the "Company").
- 2. This certification is submitted in support of the Company's Confidential Service Improvement Plans and Progress Reports.
- 3. I have reviewed the Confidential Service Improvement Plan and Progress Reports and the facts stated therein are true and correct to the best of my present knowledge, information and belief.

Subscribed and sworn to before me this 27 day of September, 2006.

Notary Public

NATALIE A. WOODS

Notary Public, State of New York Qualified in Schenectady County

No. 4952617 Commission Expires June 19, 20 <u>@</u>